

4. School finance: Amend Code to enable levying authorities to consider Community Disaster Loan amounts and other funding sources when approving school district budgets and setting millage rates.

School districts from the three coastal counties and the Mississippi Department of Education have requested the special session call include a provision that deals with school finance matters. Specifically, local school districts (and potentially incorporated municipalities and counties) located in the coastal counties of Jackson, Harrison and Hancock could deduct their Community Disaster Loans and other funding sources from their budget requests. The proposal is to amend statutes that require budget requests to be met by increasing millage rates.

The problem exists in the automatic trigger affect of the current law. If the school district requests in dollars the same amount that it received last year and there aren't enough dollars generated by that same millage rate, an ad valorem tax increase would be put into effect.